

2016 RETIREE HEALTH INSURANCE PROGRAM OPEN ENROLLMENT

Scheduled through 5:00 p.m., Wednesday, February 10, 2016

It's time for the City's Retiree Health Insurance Program Open Enrollment. Enclosed you will find an Open Enrollment guide for plan year March 1, 2016 to February 28, 2017. This information is also available on the City's website at www.westalliswi.gov/openenrollment, choose "Retiree" link.

This year the City will be hosting a Retiree Group meeting on Monday, February 1, in addition to hosting various dates and times for individuals to meet one-on-one with Anthem and Tri-City National Bank representatives. Please refer to the enclosed flyer for further details.

ENROLLMENT PROCEDURES

Every retiree is required to return an application form *even if* you choose not to participate in the City's Retiree Health Insurance Program plan offerings for this plan year effective March 1. The application form must be submitted to the Human Resources Department by **5:00 p.m., Wednesday, February 10, 2016**. Application forms received after the close of Open Enrollment may result in monetary penalties and/or cancellation of coverage.

NOTE: DO NOT forward the application form to Anthem

PLAN OFFERINGS

As you are aware, the City is continually looking for ways to manage the ever-increasing costs associated with its largest budgetary expense - health care, from implementing new provider networks, analyzing third party administrator costs/services, to initiating/supporting Wellness programs. This year the City was able to accomplish its goal of cost savings by implementing new provider network and plan options as a result of a change in third party administrators, from Humana to Anthem.

For plan year 3-1-16 to 2-28-17, the City is offering two (2) plan options administered by Anthem: (1) continuation of its PPO Plan, and (2) implementation of a High Deductible Health Plan (HDHP).

The City is pleased to inform you that the change resulted in lower monthly premiums. The monthly premium rates for these plans, in comparison to the City's current monthly premiums, are as follows:

PLAN TYPE	CURRENT PPO PLAN	PPO PLAN effective 3-1-16		HDHP effective 3-1-16	
		Retired Prior to 3-1-13	Retired On or After 3-1-13	Retired Prior to 3-1-13	Retired On or After 3-1-13
Individual Plan (not on Medicare)	\$ 819	\$ 768	\$ 625	\$ 768	\$ 805
2 Person Plan (not on Medicare)	\$1606	\$1506	\$1226	\$1506	\$1578
3 or more Person Plan (not on Medicare)	\$2350	\$2204	\$1795	\$2204	\$2310
Medicare Single	\$ 664	\$ 623	\$ 623	\$ 623	\$ 623
Medicare Family (2 on Medicare)	\$1359	\$1274	\$1274	\$1274	\$1274
Medicare Split (1 on Medicare/1 not on Medicare)	\$1468	\$1377	\$1377	\$1377	\$1377
Medicare Split with Dependents	\$2169	\$2034	\$2034	\$2034	\$2034
Medicare Family with Dependents	\$2083	\$1954	\$1954	\$1954	\$1954

For your share of the monthly premium, please refer to your annual health insurance premium rate letter (enclosed) from the Finance Department.

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Both plans provide:

- ❖ 24/7 NurseLine wherein members are able to speak with a registered nurse about health concerns 24 hours a day, 7 days a week;
- ❖ discounts for various services not covered under either plan option (such as, but not limited to, providers of contacts, glasses, gym memberships, weight-loss programs);
- ❖ LiveHealth Online wherein members can have a doctor visit from the comfort of their home via a computer or mobile device; and,
- ❖ access to your Anthem plan offerings via computer or mobile device (anthem.com);
- ❖ a prescription drug program for retail and mail order through Express Scripts. You may continue to have your prescriptions filled at a local pharmacy or through Express Scripts mail order. Members will be required to obtain all new prescriptions for mail order and specialty pharmacy prescriptions.

NOTE: Although Anthem is able to offer these additional voluntary services/programs, they are unable to administer the City's \$25 Wellness Reimbursement Program; therefore, effective 3-1-16, this will no longer be a voluntary program offering.

Following is a brief overview of the plan options; please refer to the Open Enrollment guide for detailed information.

A. Anthem's PPO Plan. This plan is similar to the City's current Humana PPO Plan, the difference being the provider network and third party administrator (Anthem vs. Humana). Points of interest:

- ✓ Medical and prescription drug benefit levels remain dependent upon date of retirement.
- ✓ Provider network options are dependent upon primary residence and date of retirement.
- ✓ This plan qualifies as a Medicare Part D Creditable Plan.
- ✓ Prescription drugs may fall under different copay tiers (amount you pay for drugs) than what you are used to paying under Humana.
- ✓ Members will be required to obtain all new prescriptions for mail order and specialty pharmacy prescriptions.

B. Anthem's High Deductible Health Plan (HDHP). This is a new plan offering. Members participating in this plan may or may not be eligible to participate in a Health Savings Account (HSA). If ineligible to participate in an HSA, you may still participate in the HDHP.

- ✓ What is a Health Savings Account (HSA)? HSAs were created in 2003 to provide individuals with a high deductible health plan (HDHP) a tax-preferred method of saving money for medical expenses; the money used is tax-free when paying for qualified medical expenses.
 - The City will be contributing \$500 towards a single plan or \$1,000 towards a couple or family plan into an HSA account for eligible HSA plan participants for this plan year 3-1-16 to 2-28-17.
 - **NOTE: an HSA is not available to individuals who participate in other health insurance (such as a spouse's plan or Medicare Parts A and/or B, Medicaid, Title 19), or are claimed as a dependent on someone else's tax return.**
 - Refer to the Open Enrollment guide for more information on the HSA program through Tri-City National Bank.

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Anthem's High Deductible Health Plan (HDHP) continued

- ✓ Benefit levels for all plan participants are the same:
 - In-Network - plan year combined medical and prescription drug deductible of \$1,500 for a single plan participant or \$3,000 for a couple or family plan participant; thereafter you pay 20% coinsurance up to a maximum out-of-pocket (including the deductible) of \$3,000 for a single plan participant or \$6,000 for a couple or family plan participant;
 - Out-of-Network - plan year combined medical and prescription drug deductible of \$15,000 per person or \$30,000 per couple or family plan, 40% coinsurance after the deductible has been satisfied up to a maximum out-of-pocket (including the deductible) of \$30,000 per person or \$60,000 per couple or family.
- ✓ Provider network options are dependent upon location of primary residence.
- ✓ This plan does NOT qualify as a Medicare Part D Creditable Plan. Please read the HDHP's *Medicare Part D Notice of Non-Creditable Coverage* and *Important Notice About Your Prescription Drug Coverage and Medicare* documents included in your Open Enrollment guide to see how this may affect you.

Retirees with Medicare:

If neither of these plan options are of interest to you, you may wish to contact *Allied Senior Services* regarding individual Medicare Advantage and/or Supplemental plans. This is a free service provided via the City's health insurance consultant, Willis Towers Watson. Further information and contact information for *Allied Senior Services* is contained within the Open Enrollment guide.

Reminders:

- Once you and/or **your spouse/eligible dependent(s)** become eligible for Medicaid/Title 19/Medicare (you/they must apply for Medicare Parts A & B upon eligibility), notify Human Resources of the card/plan number.
- Retain the *Important Notice About Your Prescription Drug Coverage and Medicare* which can be found under the Required Notifications section of the Open Enrollment guide.
- Please contact Human Resources immediately if you are the surviving spouse of a City of West Allis retiree AND remarried OR employed by another employer.
- **Police and Fire Protective Service Retirees:** If you currently participate in the Protective Service insurance premium payments through the Wisconsin Retirement System, ETF mandates that you complete a new authorization form (enclosed) every time you experience a change in your monthly premium. Please contact ETF at 877-533-5020 for Program details.

Questions or Concerns may be addressed as follows:

- Provider Network Participation: Anthem at 844-286-6371
- Prescription Drugs - Retail and Mail Order through Express Scripts (ESI): Anthem at 844-286-6371
- Health Savings Account (HSA): Tri-City National Bank at 888-574-2489
- Health insurance rates/premium share calculation: the City's Finance Department at 414-302-8260
- General Questions: the City's Human Resources Department at 414-302-8270